

Staff Summary Report

City Council Meeting Date: **April 9, 2009**

Agenda Item Number: _____

SUBJECT: This is the introduction and first public hearing for a General Plan Land Use Map Amendment, Zoning Map Amendment, and Planned Area Development Overlay for LEMON MIXED USE DEVELOPMENT, located at 919, 1011, and 1019 East Lemon Street. The second public hearing is scheduled for April 23, 2009.

DOCUMENT NAME: 20090409dsrl01 **PLANNED DEVELOPMENT (0406)**

COMMENTS: Request for **LEMON MIXED USE DEVELOPMENT (PL080449)** (Rick Kafka, Colgate Tempe 268, LLC, property owner; Manjula Vaz, Gammage & Burnham, applicant) consisting of three (3) mixed use buildings of commercial and residential totaling approximately 694,000 s.f. of total building, including 478 units and approx. 16,000 s.f. of commercial area on approx. 5.73 acres, located at 919, 1011, and 1019 East Lemon Street, in the R-4, Multi-Family Residential District the CSS, Commercial Shopping and Services District and in the TOD, Transportation Overlay District (corridor). The request includes the following:

GEP09001 (Resolution No. 2009.15) – General Plan Land Use Map Amendment from ‘Residential’ to ‘Mixed-Use’.

ZON09001 (Ordinance No. 2009.14) – Zoning Map Amendment from R-4, Multi-Family General District and CSS, Commercial Shopping and Services District in the TOD, Transportation Overlay District to MU-4, Mixed-Use High Density District in the TOD (corridor).

PAD09001 (Ordinance No. 2009.14) – A Planned Area Development Overlay to modify development standards to allow for a modification in the minimum TOD parking requirements from 1,425 spaces to 1,034 spaces; a proposed density of 83.4 dwelling units per acre; a maximum building height of 180’-0”; maximum lot coverage 70%; minimum landscape area 30%; and minimum building setbacks 0’ front, 15’ sides, 30’ rear and maximum 20’ setback.

PREPARED BY: Ryan Levesque, Senior Planner (480-858-2393)

REVIEWED BY: Lisa Collins, Development Services Planning Director (480-350-8989)
Chris Anaradian, Development Services Manager (480-858-2204)

LEGAL REVIEW BY: Teresa Voss, Assistant City Attorney (480-350-8814)

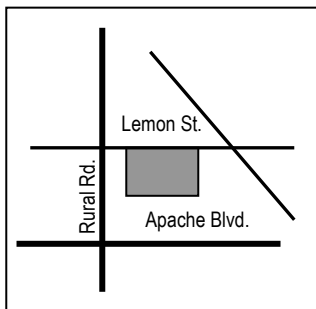
FISCAL NOTE: N/A

RECOMMENDATION: **Staff – Approval, subject to conditions**
Development Review Commission: Approval for General Plan & Zoning Map Amendments (5-2 vote) and Denial for Planned Area Development Overlay (5-2 vote)

ADDITIONAL INFO:

Gross/Net site area	5.73 acres
Total Building area	694,115 s.f. (15,340 s.f. commercial)
Residential	478 units (1,632 bedrooms)
Lot Coverage	70% (NS, to be established)
Building Height	180 ft (NS, to be established)
Building setbacks	0’ front w/ 20’ max., +15’ sides, +30’ rear (20’ max. front)
Landscape area	30% (NS, to be established)
Vehicle Parking	1,034 spaces (1,425 minimum required per TOD)
Bicycle Parking	597spaces (597 minimum required)

A neighborhood meeting was held on February 26, 2009 with this application.



PAGES:

1. List of Attachments
- 2-6. Comments
7. Reason for Approval / Conditions of Approval
8. History & Facts / Zoning & Development Code Reference

ATTACHMENTS:

1. Resolution No. 2009.15
- 2-3. Ordinance No. 2009.14
- 4-5. Waiver of Rights and Remedies form
- 6-8. Location Maps (Zoning, Projected Land Use & Density)
- 9-11. Aerial / Photo(s)
- 12-27. Letter of Explanation
- 28-30. Neighborhood Meeting Summary
- 31-44. Professional Parking Analysis
45. PAD Cover Sheet
- 46-47. Site Plans
- 48-50. Floor Plans
51. Building Elevations
52. Building Sections
- 53-54. Landscape Plan
- 55-56. Conceptual Project Renderings
- 57-61. Shadow/Solar Study
- 62-70. Massing Perspectives
71. Public Comments

COMMENTS:

This site is located just east of Rural Road and west of Terrace Road on the south side of Lemon Street. The site includes three existing apartment complexes, constructed in the mid-1960s by Elmer Bradley & Sterling Wells. Located to the west of the site are existing commercial properties which border Rural Road, including the Arizona State University main campus. To the north across Lemon Street are additional apartment complexes constructed around the same period as this site and vacant land previously a trailer park. To the east of the site is an apartment and commercial space at the intersection of Lemon and Terrace Road. The Metro Light Rail line runs along this segment of Terrace Road. To the south and to the rear of the site are properties with access only onto Apache Boulevard. They include a 10-story mixed use development consisting of ground floor commercial and 132 apartment units (87 du/ac) for student housing currently under construction, another future mixed use development currently a vacant motel, and another occupied motel.

This request for Lemon Mixed Use Development consists of 478 dwelling units targeted for student housing and ground floor commercial space, all within three proposed buildings. The application request includes the following:

1. General Plan Amendment from a projected land use from 'Residential' to 'Mixed Use'
2. Zoning Map Amendment from R-4 & CSS (TOD) to MU-4 (TOD), Mixed-Use High Density District
3. A Planned Area Development Overlay to set the standard and modify the required parking for the site.

For further processing, the applicant will need a decision on the Development Plan Review (including the site plan, building elevations and landscape) and a Subdivision Plat, to combine the individual lots into one.

The proposed development, according to the applicant, is proposed for three phases. Phase I consists of the center building. A site plan depicts the example of Phase I completed with the existing apartments on either sides functioning with the development. All phases of the development will use a unified drive loop from the east side of the property along the back to the west side of the development, which includes portions of an existing public alley shared by the adjacent commercial for parking access. The towers are vehicle-accessible through the parking garages at the rear of the property from the drive loop. Between each building phase line is proposed a fire only access easement, not intended for regular use. This area will consist of drivable hardscape with acceptable landscape treatment edges. The introduction of new on-street parking is also provided for guests and commercial visitors, with final details to be reviewed by Public Works. With this development consisting of over two-thirds of the blocks street frontage, this plan will create a pedestrian-friendly environment with streetscape standards compatible with the TOD Overlay requirements, including an 8'-0" clear pathway with 33% or more shade, and buildings oriented at the pedestrian level.

At the street face on Lemon the buildings include ground floor commercial, including a one story retail building. Above the commercial level include 12 additional stories of residential units, with the central building with a T-shape configuration at 16-stories overall. The east and west buildings are then separated by a private courtyard space approximately 40'-0" in width. Additional buildings further south include 5-stories of residential, then stepping up to a total of 16-stories, connected on the south with a 5-story parking structure to include private amenities on the upper deck. This design configuration is consistent with the under construction project "The Vue" (formerly known as Campus Edge) and the future "Retreat at 1000 Apache". Both projects place the above ground parking structures at the back of the property.

PUBLIC INPUT

A neighborhood meeting, pursuant to the requirements of the Zoning and Development Code, was held by the applicant on February 26, 2009 at 6 p.m. The meeting took place at the Comfort Inn & Suites at 1031 E. Apache Blvd. Staff was in attendance at this meeting. The applicant, along with the design team, gave a project overview to the residents in attendance. Display boards were available including the site plan and concept renderings of the project. Various questions were fielded by the applicant, including responses from the property owner's managing partner, regarding anticipated phasing of the project. The majority of the questions dealt with addressing the timeline on when the development would commence or when the existing tenants would have to move or be relocated. According to comments at the meeting the owner intends to offer residents to relocate into any of the other existing apartment complexes on Lemon Street under ownership of this property owner, upon availability. The representative made it very clear to tenants who attended the meeting that the owner has no intention of demolishing the existing apartments until the project has a realistic time frame to complete the development plan review and subsequent building permit process. Rough estimates given to the residents were as early as 2 to 2 ½ years for Phase I, with Phases II and III dependant on future market conditions. One resident from the University Heights Neighborhood, a single-family area a block east of the site, inquired about views of the project from their neighborhood and asked to see perspectives in addition to the ones shown in the presentation. The design team was

willing to provide this information. There was a concern that the project appeared to look a lot like the Campus Edge project currently under construction along Apache Blvd. Resident's concern was to avoid having the same design style throughout. The applicant explained the design to be conceptual at this time and that this project's uniqueness will focus on the pedestrian level experience. All in all it appeared the residents were in general support of the apartment rental concept, targeted for student housing. See attached summary of meeting provided by the applicant, (See Attachments). Just before the Development Review Commission hearing on March 24, 2009 staff received a letter from a resident addressing concerns for the overall height being too tall, the number of 4 and 6 bedroom units, and the object of reducing TOD parking standards.

PROJECT ANALYSIS

GENERAL PLAN

The applicant has provided a written justification for the proposed General Plan amendment (see Attachments). The below analysis addresses specific points made by the applicant and/or other related goals and objectives.

Land Use Element:

The existing projected land use for this site is 'Residential' with a projected residential density of 'High Density' (greater than 25 dwelling units per acre). The proposed density for this project (84 du/ac) is consistent with the General Plan projected residential density. To achieve this type of density a mixed use zoning district is required for projects greater than 30 du/ac. As a result of the proposed zoning district (MU-4) a commercial component with the residential, the applicant is requesting a General Plan 2030 land use map change from 'Residential' to 'Mixed Use'. The site is located adjacent to projected Mixed Use sites that front along Apache Boulevard, which have include projects rezoning to MU-4. As well, to the north along Lemon Street a previous project was approved for MU-4 that includes a projected land use of 'Mixed Use'. Staff supports the introduction of neighborhood commercial within this area that may vary in size and overall frontage of the property.

Accessibility Element:

As a part of the development process this project will meet accessibility standards as provided for Americans with Disabilities Act. One of the objectives of the General Plan is to create adaptive environments that can meet current and future needs of the community. The site consists of existing apartments that were developed prior to ADA requirements. Any new development will provide additional housing that will address the needs of our diverse community.

Community Design Element:

As identified in the objectives of this element. This proposal is supported introducing a mixed use design, which promotes sustainable concepts recommended by the General Plan. Through goals in the construction stage, this project may choose to participate in meeting LEED certification. The site is currently in the Transportation Overlay and will allow the project to further sustainable design requirements that are included in the Overlay requirements.

Historic Preservation Element:

This element is not applicable to the request.

Housing Element:

The objective of the housing element is to encourage a mix of incomes, support property reinvestment, and long-term affordability. Although this request does not specifically address affordable housing, student housing is a desired use for this location. Off-campus, this location east of the campus has the highest concentration of student population within a diverse community. The housing density proposed would strengthen this location as a desired site in close proximity to ASU. Staff is encouraged that the product design over time can meet future market demands and accommodates alternate housing styles including ownership opportunities and small size families of diverse age groups within an urban environment.

Neighborhoods Element:

This element calls for public involvement in the planning process and promoting programs that enhance the neighborhood. The applicant has met the requirements for public neighborhood meeting involvement, including a future meeting with the TABA (Tempe Apache Business Association) representatives. While developing a high density student housing project, this product encourages an alternate location, meeting the needs of student life, outside of the single-family neighborhoods.

Redevelopment Element:

This element encourages reinvestment, revitalization, redevelopment or reuse for areas in decline or through local policies and programs to mitigate slum and blight affecting public health, safety and welfare. This site is located within the Apache Boulevard Redevelopment Area and has undergone major transformations over the past 10 years, including but not limited to active involvement by our policy-makers, completion of a light rail transit line, completion of a fire and police stations providing direct response needs, and ongoing removal of blighted properties. Through these efforts, private investment has led the way to new housing stock and mixed use development that will sustain the area in the long run. This project will replace a portion of the City's aging housing stock with innovated high density design suited for this location.

Economic Development Element:

This element identifies employment nodes and outlines policies to attract and retain businesses. As a mixed use project, the commercial services provided at this location will need to rely primarily on the residents of the site as well as the neighboring community. Although commercial at this location is not a regional destination, daily service businesses would likely choose this location.

Cost of Development Element:

With the result of any new development, public infrastructure will be provided at the cost of the developer. The City will continue to ensure maintenance and growth in all planned developments.

Environment (Air, Noise, Ambient Temperature, Energy) Element:

This element addresses air quality noise pollution, ambient temperatures and energy resources. Mitigation of air pollution can be achieved through sustainable design practices, reducing reliance on vehicle trips made per day and overall encouragement of alternative transportation modes.

Land (Remediation, Habitat, Solid Waste) Element:

There are no apparent environment contaminations on this site.

Water (Water, Wastewater, Stormwater) Element:

This site will participate in the City's Comprehensive Water Master Plan, ensuring proper disposal of wastewater and collection of on-site retention.

Transportation (Pedestrian Network, Bikeways, Transit, Travel-ways) Elements:

This element identifies circulation needs for pedestrian, bicyclists, and transit, by encouraging the use of alternate modes of transportation other than a vehicle. The site is located with the Transportation Overlay furthering the development of pedestrian friendly design. Through the use of pedestrian accessible buildings, wide sidewalks, designated paths for bicyclists, and reductions in the overall parking requirements the goals and objectives of the General Plan element are attainable. This project through request of additional reductions in the parking need will reduce the demand placed on the roadways and encourage the use of alternate modes.

Aviation Element:

This element is not applicable to this request. There are no impacts on aviation and the site is not within a designated flight path.

Open Space Element:

Goals of the Open Space element include strategies for preserving and improving open space as a valuable community resource. Needs for open space are based on the Parks and Recreation Master Plan in order to promote physical fitness through passive and active recreational areas. Although this site is not within close proximity to any public parks, pedestrian level semi-private open space is apparent within the building's varied setback provided at the street.

Recreational Amenities Element:

Also in connection with the Parks Master Plan, the goal of this element is to provide social, recreational and economic benefits to the community by promoting recreational programs and interests. This project intends to incorporate roof deck amenities that support the proposed housing stock.

Public Art & Cultural Amenities Element:

This element is based on the promotion of Tempe as a diverse, stimulating cultural and arts community. This can be accomplished through the City's requirement for Art in Private Development. Although this project does not meet the required threshold for the art requirement (50,000 s.f. of commercial) staff would recommend a local art component integrated into the project at the design stage. This would further enhance the uniqueness that Tempe's community offers and provides a prominent piece to the development.

Public Buildings, Safety and Services Elements:

These elements are not applicable to the request.

Section 6-303 D. Approval criteria for General Plan amendment:

1. Appropriate short and long term public benefits
2. mitigates impacts on land use, water infrastructure or transportation
3. Helps the city attain applicable objectives of the General Plan
4. Provides rights-of-way, transit facilities, open space, recreational amenities or public art
5. Potentially negative influences are mitigated and deemed acceptable by the City Council
6. Judgment of the appropriateness of the amendment with regard to market demands, and impacts on surrounding area, service, fiscal, traffic, historic properties, utilities and public facilities.

ZONING AMENDMENT

The proposed site is requesting a zoning designation change to MU-4, Mixed-Use High Density. This designation affords the applicant to establish its own standards, including density, while creating a unique and innovative design exclusive of traditional zoning standards. The current site primarily consists of R-4, Multi-Family Residential General District with the southeast portion of the site with CSS, Commercial Shopping and Services District, and the entire site located with the TOD, Transportation Overlay District. The CSS zoning designation is currently legal non-conforming, meaning the project was developed in accordance with the uses allowed at the time but not conforming to the current provisions. The zoning request as provided with the analysis for the General Plan Land Use amendment is found to be compatible with the requested site location. Properties adjacent to this site to the south currently have the MU-4 zoning designation as well as a property north on Lemon Street. This zoning designation has primarily been approved in areas in proximity to the downtown, along the Tempe Town Lake edge, and along the Apache Boulevard redevelopment area, which are locations consistent with projected high density areas. The MU-4 zoning along with adoption of PAD Overlay standards, will establish appropriate land use and densities with minimal impact on the surrounding communities.

Section 6-304 C.2. Approval criteria for Zoning amendment:

1. The proposed zoning amendment benefits the public interest. The zoning designation is compatible with other recently zoned properties with the same zoning and is a compatible transition for our multi-family high density districts.
2. The proposed zoning amendment conforms with and facilitates implementation of the General Plan, which is consistent with the projected high density, will introduce a commercial component suitable for neighborhood service needs that supporting the village concept, and overall implementation of transit-oriented design standards.

PLANNED AREA DEVELOPMENT OVERLAY

The proposed mixed use district requires the applicant to establish and/or modify standards unique to the project. The MU-4 district has "No Standards", except for the Transportation Overlay standards including a maximum building setback of 20'-0" at the street. The proposed standards are considered and evaluated based on innovatively designed developments which form an attractive and harmonious unit of the community.

Parking

The applicant is requesting modification to the parking standards as part of the PAD for this project. The site currently resides within the TOD corridor area, allowing reductions in the City standard parking requirements. This includes a residential parking ratio of 0.75 per bedroom. This accounts for a 25% reduction for one & two-bedroom units, a 10% reduction for three-bedroom units, and no reductions for four-bedroom units and above. Retail and restaurant use are provided a 25% exemption in the overall floor area dedicated to each use, based a maximum exempted floor area of 10,000 and 1,250 sf. respectively. This project qualifies for the full

exemption allowed.

The recommended parking provided by Morrison Maierle, a professional parking consultant for the Lemon Mixed Use Development, recommends an approximate 31% reduction in the overall standard parking requirement (27% reduction from TOD), and to provide a minimum of 1,033 parking space for all phases. This analysis was performed taking into consideration the allowed parking reductions for the TOD, a shared parking analysis based on a peak demand for all uses occurring at 9 pm on weekdays, and a parking reduction for apartment student housing in close proximity to the ASU campus. Below is an overview of the parking ratios for standard requirements, TOD required, and the proposed parking for the site initiated by the parking study:

PARKING RATIO COMPARISONS			
Unit Type	Standard Parking	TOD Parking (Req.)	PAD Ratios (PROPOSED)
Studio & 1-Bedroom unit	1 space/unit	.75 spaces/unit (.75/bedroom)	.61 spaces/unit (.61/bedroom)
2-Bedroom unit	2 spaces/unit	1.5 spaces/unit (.75/bedroom)	1.22 spaces/unit (.61/bedroom)
3-Bed unit	2.5 spaces/unit	2.25 spaces/unit (.75/bedroom)	1.83 spaces/unit (.61/bedroom)
4-Bed unit	3 spaces/unit	3 spaces/unit (.75/bedroom)	2.44 spaces/unit (.61/bedroom)
Residential Guest	.2 spaces/unit	.2 spaces/unit	Per Shared Parking Study
Commercial	1 space/300 sf	(25% reduction)1 space/300 sf	Per Shared Parking Study
Total Parking	1,496 spaces	1,425 spaces required	1,034 spaces provided

The project with 478 units (1,632 bedrooms) has an approximate ratio of 3.4 bedrooms per unit. With this ratio, the majority of the units include 3-bedroom configurations or more, which only account for a 10% reduction in the required parking. The residential parking requirements should equate to reductions that can be provided consistently for all bedroom types. A mixed-use development is a viable candidate for further reductions using shared peak parking demands, where the intended users are not dependant on its individual use. The sites' parking should also consider capturing guest parking users for both residential and commercial consumers. Other following factors to consider at this location are: Access to alternate modes of transportation (Orbit bus, light rail, bike and walking) with short travel connections to existing and future on-site commercial, downtown, ASU campus, and other regional destinations. After consideration of the professional parking analysis provided, comparisons provided in both the standard and TOD required parking, staff is recommending support of the proposed parking reductions from the required 1,425 spaces to 1,034 provided spaces.

Building Height, Density and Setbacks

The project is requesting an overall building height of 180'-0", a maximum density of 84 du/ac and building setbacks of 0' in the front with a maximum setback of 20'-0", side setback of 15'-0", and rear setback of 30'-0". The actual projected building height is 172'-0" at the finished floor, and density 83.4 du/ac. The side and rear setbacks for the project, including landscape coverage (30%) are consistent with more traditional standards in their respective districts. The proposed height potentially would be the tallest building in Tempe east of Rural Road. In comparison to the most recent high rise development in the area, The Vue (Campus Edge) has a density of 87 du/ac for a 116'-0" tall building, 128'-0" to top of mechanical. The Lemon Mixed Use Development is less dense than the Vue, but taller in overall height because this project has a reduced floor area ratio. This project minimizes the overall mass through varying building heights and open space separation between buildings. Because the site is located within the projected high density area of this neighborhood, there staff recommends approval of the density and height as the maximum for this area.

Section 6-305 D. Approval criteria for P.A.D.:

1. The proposed land uses residential, retail, and restaurant are permitted under Part 3 of the Zoning and Development Code.
2. The development standards listed above, as established as part of the PAD Overlay District, as well as the standards allowed by use permit in Part 4 will be conformed to for development of this site.
3. The proposed PAD is in conformance with provisions set forth in the Transportation Overlay District except parking.
4. The conditions of approval are reasonable to ensure conformance with the provisions of the Zoning and Development Code.
5. The site location is buffered by projected residential high density uses, with minimal impact on the surroundings.

REASONS FOR APPROVAL:

1. The project meets the General Plan Projected Residential Density for this site. The Projected Land Use change to 'Mixed Use' will further support transit-oriented and high density demands for immediate access to commercial retail.
2. The zoning is compatible with adjacent and nearby properties recently as MU-4.
3. The PAD overlay process was specifically created to allow for greater flexibility, to allow for appropriate increased heights compatible with the area.
4. The proposed project meets the approval criteria for a General Plan Amendment, Zoning Amendment, and a Planned Area Development Overlay.

CONDITIONS OF APPROVAL:

EACH NUMBERED ITEM IS A CONDITION OF APPROVAL. THE DECISION-MAKING BODY MAY MODIFY, DELETE OR ADD TO THESE CONDITIONS.

1. A building permit submitted on or before April 23, 2012 or the zoning of the property may revert to that in place at the time of application, subject to a public hearing.
2. The property owner(s) shall sign a waiver of rights and remedies form. By signing the form, the Owners voluntarily waive any right to claim compensation for diminution of Property value under A.R.S. §12-1134 that may now or in the future exist, as a result of the City's approval of this Application, including any conditions, stipulations and/or modifications imposed as a condition of approval. The signed form shall be submitted to the Development Services Department no later than May 22, 2009 or the General Plan Amendment, Zoning Map Amendment and Planned Area Development Overlay approval shall be null and void.
3. The Planned Area Development Overlay shall be put into proper engineered format with appropriate signature blanks and kept on file with the City of Tempe's Development Services Department prior to issuance of building permits.
4. A Preliminary and Final Subdivision Plat is required to combine all existing parcels, including any right-of-way, into one (1) lot for this development which shall be recorded prior to issuance of Phase I building permits. Otherwise an Amended Planned Area Development Overlay for this project is required by the original decision-making body.
5. The maximum allowed height for the building shall not exceed one hundred eighty (180) feet, including any mechanical equipment or screening.
6. The maximum allowed density for the site shall not exceed four hundred seventy-eight (478) units and no more than one thousand six hundred thirty-two (1,632) bedrooms, for all phases of the site.
7. The minimum overall parking for the site shall provide at least 1,034 parking spaces based on a modified residential bedroom parking ratio, including guest parking, of (0.61) parking spaces per bedroom.
8. All three buildings shall be located within the maximum building setback of twenty (20) feet, as defined by the Zoning and Development Code. The location of the buildings shall be based on any future dedication of right-of-way, as determined prior the building permit application.

HISTORY & FACTS:

January 31, 1949	Area annexed into the City of Tempe (Ordinance No. 199).
February 17, 1964	Building permits issued for construction of a 47 unit apartment complex by Elmer Bradley & Sterling Wells at 1011 East Lemon Street.
July 2, 1964	Building permits issued for construction of a 90 unit complex by Elmer Bradley & Sterling Wells at 919 East Lemon Street.
March 31, 1965	Building permits issued for construction of a 66 unit complex by Elmer Bradley & Sterling Wells at 1019 East Lemon Street.
February 26, 2009	The applicant held a neighborhood meeting for this request at the Comfort Inn & Suites at 1031 East Apache Boulevard.
March 24, 2009	Development Review Commission recommended approval for the General Plan Amendment and Zoning Map Amendment, and recommended denial of the Planned Area Development Overlay for LEMON MIXED USE DEVELOPMENT, located at 919, 1011, and 1019 East Lemon Street.

ZONING AND DEVELOPMENT CODE REFERENCE:

Section 6-302, General Plan Amendment
Section 6-304, Zoning Map Amendment
Section 6-305, Planned Area Development (PAD) Overlay districts